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DEPARTMENT OF STATE

Memorandum of Conversation

DATE: October 8, 1952

SUBJECT: Comments by a Nationalist Official on the Political Situation in Formosa

PARTICIPANTS: CA - Edwin W. Martin

CA - Alfred le S. Jenkins

Chinese Nationalist Official

Student friend of the official

COPIES TO: FE - Mr. Johnson
S/P - Mr. Stelle
DRF - Mr. Chase
BI - Mr. Parkinson
Embassy, Taipei

REVIEWED BY *P. A. Jenkins*

DATE *10/9/52*

REASON(S) *Ext. DATE*

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File
Bureau of
Far Eastern Affairs
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ASSISTANT SECRETARY
Department of State

A prominent Nationalist official, who repeatedly asked that he not be identified outside this office, called in CA this afternoon, accompanied by a Chinese graduate student. The student friend apparently accompanied the official primarily to serve as an interpreter, but the interview was conducted primarily in Chinese.

The chief theme of the Chinese official was his concern lest the political situation on Formosa cause the failure of our entire effort there, which he felt had been gratifyingly successful so far in military and economic matters. He expressed gratification at the progress evinced by land reforms, currency stabilization and the substantial reduction of corruption among Government officials. He said that he realized his theme was not a new one, but that he had risked some personal danger in coming to the Department because of his anxiety concerning the difficulty of American officials' learning the "actual facts" about what is going on in Formosa, with particular reference to the political scene.

He stated with some feeling that he was very anti-Communist, and that he was cognizant of the fact that the presence of mainland Chinese on Formosa, backed by American aid, had kept Formosa out of the hands of the Communists. He felt, however, that "the Gimo lost the mainland to the Chinese Communists, and the Gimo's son may very well in turn be instrumental in losing Formosa to the Communists". He said that Chiang Ching-kuo upon his return from study in Russia was extreme left in his thinking, and that while his father had successfully converted him into an anti-Communist so that he was now extreme right in his thinking, at the same time he was attempting to use the same methods of Communism in his "mold of fascism". He said that Formosa

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could never be a real asset to the Free World so long as it had to offer only a less efficient police state than the Communists ran themselves. He said that Chiang Ching-kuo was progressively consolidating his power over every phase of activity on Formosa, and that the Government could never stand up against the Communists, and certainly not supplant them on the mainland, so long as it was a Government "of individuals, where knowing the right official or having the requisite amount of money to buy one's way are the only ways in which the individual can advance".

The visitor was disturbed by the fact that the Nationalists are not using Formosans in positions of responsibility in the Government or even in the ranks of their military forces. He said that Formosans were sometimes used as number two men (usually at the Provincial level) but that in such positions they were powerless. Nearer the grass roots level Formosans were often in the number one position because of popular election, but that where this was true either the number two was a mainland KMT member and actually ran the office, or the number one had a secretary who was a trusted KMT man, who kept close watch of the activities of the number one and reported on him to higher authority, and who could not be fired by the number one. Speaking of the military establishment, he said that any military force was destined for eventual extinction unless it had a means of replenishing its ranks. He believed that the Nationalists did not use Formosans because they feared them. He said that this was unwarranted because, while the Formosans did not like the Nationalists, they liked Communism even less and were realistic enough faithfully to fight against it.

The official said that in his position he had gained personal knowledge of many instances where officials were dismissed and often executed in order to make room for a "Ching-kuo man". He said that this was done by the simple expedient of accusing the person of being a Communist, when in fact he may have been simply anti-Ching-kuo or, what is almost as bad, not pro-Ching-kuo. He said that not only did the Formosans resent the high-handed methods of Chiang Ching-kuo, but that many Nationalist (mainland) officials had also become very dissatisfied with the trend of events as guided by "the Prince". Yet the sad situation, he continued, is that the Gimq has come to trust almost no man except his son, and now has the habit of telling his trusted and close advisers of many-years' standing to "see Ching-kuo about it". This offends many of the elder statesmen who look upon Ching-kuo as an upstart, nothing but a child, and as the most outstanding example of the Nationalists' deep-seated canker of nepotism.

Both visitors said that while they were not Ch'en Ch'eng men they felt that Ch'en had been most courageous in opposing the President's son, and that while Ch'en was not perfect he was able to see things objectively to a degree which is rare in the Chinese system of cliques and countercliques. As for K. C. Wu, they both felt that his intent was good, that he wanted to do things in a democratic and fair manner, but that he often felt frustrated. The visitors felt that for some reason which they could not explain Governor Wu, despite his democratic orientation, had a "penchant for scalawags". By this they meant that he tended to use "bad" men in important positions in the Provincial Government, particularly former "running dogs" of the Japanese.

The visitors

The visitors closed with the observation that "it is most unlikely that the Embassy, MAAG or MSA on Formosa can possibly form a really balanced, true picture there, because all of the officials with whom U. S. representatives deal professionally are either pro-Gimo and son all the way or are frightened into appearing so, and other people and particularly Formosans (unless they are a part of planned window-dressing) could not possibly go to the Embassy to talk with our officials, for fear of their very lives". The official said that pressure is put on practically every Chinese employee of the Embassy to act as an informer, and that they do and must perform this service for the Government. He further said that the Government had those who performed the service of surveillance of American officials by the nape of the neck, and that what was true of office surveillance was also true of the homes of leading Americans, through their servants.

The chief visitor reiterated upon leaving that he had come to talk with us because he was a patriotic Chinese anxious above everything else that his homeland be spared from Communist rule, and that his object was to make sure that we were aware of the great pitfalls which stand in the way of Free China's becoming an asset rather than a liability in the war for men's minds and allegiances, as well as in the economic and military struggles. He said that he was speaking as an individual, and obviously not as a Nationalist official.

The second visitor in closing said that he recognized that the level of political consciousness of the Chinese people probably precluded their enjoying a true democracy in our time. Perhaps there must be some sort of dictatorship for China, but it should be a dictatorship of law and justice and not a family affair, particularly when this family affair flaunted justice in the interest of supposed personal security. Both visitors made it clear that they considered that this situation was not contributing to the national security which all Formosan and mainland Chinese on Formosa so much desired.

The visitors attempted to get the two members of CA to agree with their appraisal of the situation on Formosa. The latter remained non-committal on this score, but stated that the United States was deeply interested in the welfare of Free China and that the Department was always glad to receive the views of those who shared in this interest.

FF-CA:AlS:denkins:ga
Sam